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Tiivistelmä-Referat-Abstract Today telecommunications are one of the essential building blocks of today's modern society. They cover everything, from mobile phones, satellites, and TV broadcasts to computers and the Internet. In the last decade, amazing technology advances, breakthroughs and a humongous increase in user bases in all aspects of the field have led many governments to make drastic changes in their political thinking. Due to these revolutionary changes, many important markets have been liberalized, previously inefficient monopolies have been privatized and the emphasis has shifted to increased competition and business as well as free markets. Spectrum itself is the most vital resource in telecommunications and without it, many aspects of this field would not even exist or would be severely handicapped. It is a scarce resource, inherently has a price, and should not be given away for free. It follows that the allocation of this scarce resource is extremely important. That is the main reason that the whole allocation process should be as efficient as possible. Out of all the alternative methods in existence (beauty contest, first-come-first-served, lottery and auction), based on both economic theory and different experiences (different countries, different licenses etc.), I shall propose my views and beliefs, which are that auctions are the best and most efficient method in existence. Adding to this, I will also propose that out of all the different auctioning mechanisms, the simultaneous ascending auction is "the best of the best" in results, performance and theory. A very important feature of the simultaneous ascending auction is that different public policy goals can be applied through it. Auctions did not feature it before, and beauty contests did, which made them more popular at the time. Also, I will give arguments that will show the wrong assumptions towards auctions and sources of their misconception. I will present reasons why in some countries, alternative allocation methods have been selected due to the unfavorable political climate towards auctions.		
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